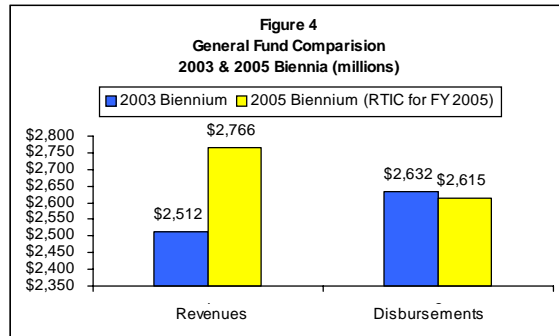


As shown in Figure 4, total revenues to the general fund account for the 2005 biennium are estimated to be nearly \$2.8 billion, an increase of \$254 million, or 10 percent from the 2003 biennium. Disbursements are estimated to be more than \$2.6 billion, a decrease of \$17 million, or -0.6 percent from the 2003 biennium. Revenue amounts for fiscal 2005 reflect esti-



mates adopted by the Revenue and Transportation Interim Committee. Fiscal 2005 disbursements reflect preliminary estimates for statutory appropriations, non-budgeted transfers, and supplement appropriations.

It should be noted that beginning in the 2003 biennium, total revenues and disbursements increase substantially. This change is primarily due to the passage of HB 124 during the 57th legislative session, which included significant revenue and disbursements related to local government funding in the general fund account.



Legislative Fiscal Division



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LFD Mission Statement

We are committed to enhancing the legislative process through understandable and objective fiscal policy analysis and information.

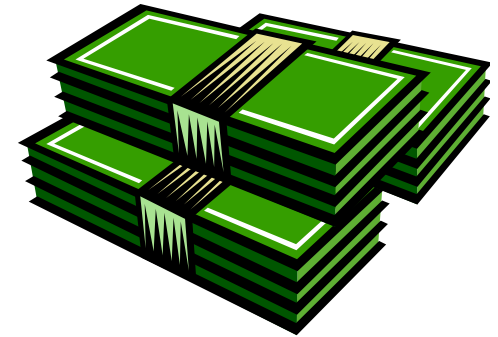
LEGISLATIVE FISCAL DIVISION



FOCUS ON... General Fund Fiscal 2004

October 2004

Fiscal Pocket Guide



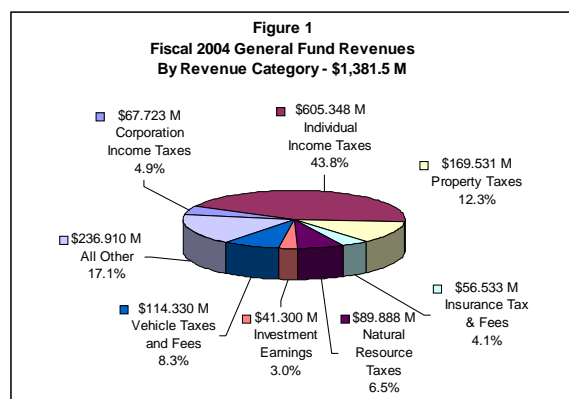
"The state general fund is the primary account that funds a significant portion of the general operations of state government..."

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Fiscal 2004

The state general fund is the primary account that funds a significant portion of the general operations of state government and is often referred to as the state's checking account. Expenditures from the account have grown from slightly less than \$700 million in fiscal 1990 to nearly \$1.3 billion in fiscal 2004, or approximately 5.0 percent annually.¹

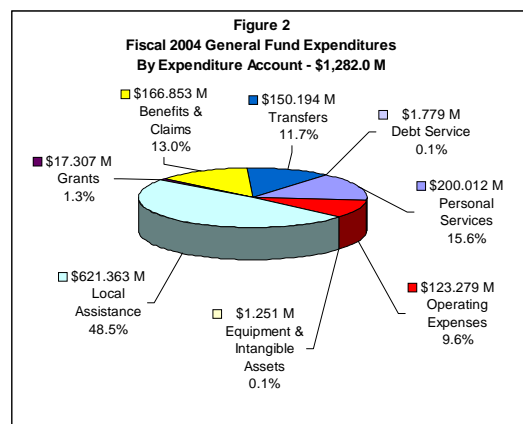
Figure 1 shows the sources of money for the general fund by major revenue category.



In fiscal 2004, 61 percent of total general fund revenues came from income and property taxes.

Figure 2 shows how the money was expended by major expenditure account, and Figure 3 shows how the money was expended by functional area.

About 25 percent of the general fund revenue was expended for personal services and operating costs, with most of the remainder disbursed for local assistance (including education), human service benefits, and transfers. This indicates that the cost of government is weighted heavily towards local assistance (local government entities) and direct human service benefits.



Transfers are the movement of general fund money to another fund. Most of the transfers are to the university system's current unrestricted fund (\$124 million), debt service funds (\$17 million), and state special revenue funds (\$9 million).

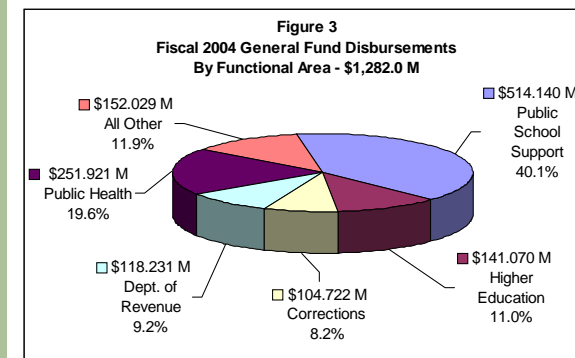


Figure 3 shows that of all general fund disbursements, \$655 million or 51 percent is spent on education and nearly 20 percent is spent on human services.

Total general fund disbursements represent approximately 35 percent of all state disbursements in the general, state special, federal special, and selected proprietary and other fund types.

¹ In addition to program and spending growth, this growth rate includes increases in the fund due to fund switches (from de-earmarking and other transfers) that do not reflect a growth in total state spending. For example, HB 124 in the 2001 session included a pass-through of significant new revenue/disbursements through the general fund to local and state governments that doesn't represent an increase in total state spending.